

## **MINUTES**

### **MONTANA SENATE 56th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON LOCAL GOVERNMENT**

**Call to Order:** By **CHAIRMAN MIKE SPRAGUE**, on March 9, 1999 at 3:00 P.M., in Room 405 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Mike Sprague, Chairman (R)  
Sen. Ken Miller, Vice Chairman (R)  
Sen. John C. Bohlinger (R)  
Sen. Dorothy Eck (D)  
Sen. Bill Glaser (R)  
Sen. Duane Grimes (R)  
Sen. Don Hargrove (R)  
Sen. J.D. Lynch (D)  
Sen. Dale Mahlum (R)  
Sen. Jon Tester (D)

**Members Excused:** Sen. Chris Christiaens (D)

**Members Absent:** None.

**Staff Present:** Jodi Pauley, Committee Secretary  
Mary Vandembosch, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 107, 3/4/1999; HB 360,  
3/4/1999; HB 210, 3/4/1999; HB  
476, 3/4/1999  
Executive Action: SB 454; HB 192; HB 476; HB  
360; HB 210; HB 107

#### **HEARING ON HB 107**

**Sponsor:** REP. LINDA MCCOLLOCH, HD 70, Missoula

**Proponents:**

**Karen Strege, State Librarian**  
**Kathy McGowan, MT Library Assoc.**

**Opponents:** None

**Opening Statement by Sponsor:**

**REP. LINDA McCOLLOCH, HD 70, Missoula,** referred to page 2, lines 10-11. This allows the voters to improve an increase in multiple years if specified on the ballot. The reason for this is to allow for long range planning, it is a cost savings, and gives local control. She referred to page 2, lines 25-29 and said this would include other necessary capital expenditures such as altering or repairing existing facilities, purchasing book mobiles, or funding a judgement against the library if the city council or County Commissioners request it. She said under current law they couldn't purchase a book mobile and this is cheaper than building a new library.

**Proponents' Testimony:**

**Karen Strege, State Librarian,** said the law revision task force supports this bill.

**Kathy McGowan, MT Library Assoc.,** rose in support of **HB 107.**

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

**SEN. DUANE GRIMES** asked if this is a permissive mill levy or in all cases would it have to be submitted by resolution to the qualified electorate. **REP. McCOLLOCH** said section 1 deals with CI-75 and this language is no longer necessary. **Mary Vandenbosch** said section 2 replaces section 1 and an amendment is needed to clarify this.

**SEN. GRIMES** asked if this would always be a discretion of the voters. **REP. McCOLLOCH** said yes this is by a vote.

**Closing by Sponsor:**

**REP. McCOLLOCH** closed in **HB 107.**

EXECUTIVE ACTION ON HB 107

Motion/Vote: SEN. LYNCH moved TO TAKE THE CI-75 LANGUAGE OUT OF HB 107. Motion carried 8-0. **EXHIBIT**(los53a01)

Motion/Vote: SEN. MAHLUM moved HB 107 BE CONCURRED IN AS AMENDED. Motion carried 9-0.

*{Tape : 1; Side : A; Approx. Time Counter : 3:12 p.m.}*

EXECUTIVE ACTION ON SB 454

Motion: SEN. LYNCH moved that AMENDMENTS SB045402.amv BE ADOPTED. **EXHIBIT**(los53a02)

Discussion:

Mary Vandenbosch explained the amendments and said this is a substitute bill. **EXHIBIT (2)** This bill requires the Department of Corrections to allocate \$46,000 each year from the proprietary enterprise fund.

SEN. JON TESTER asked where did they get the \$46,000 figure. Mary Vandenbosch said the Fiscal Note on the original bill calculated the payment in lieu of taxes, but that didn't work. They calculated it the same way that pilt is now calculated for state lands.

SEN. TESTER asked if this was consistent with other state lands for taxes. Mary Vandenbosch said that was correct.

SEN. DON HAGROVE asked if there is no Proprietary Enterprise Fund or it goes down to zero does it allow for that or is it a hit on the General Fund. Mary Vandenbosch said the money has to come out of the Proprietary Enterprise Fund.

Vote: Motion carried unanimously 10-0.

Motion: SEN. LYNCH moved SB 454 DO PASS AS AMENDED.

Discussion:

SEN. MILLER said next session the Billings Women Prison will be in here saying they make gowns and make a profit on them. And Billings will want to collect taxes on it, etc. Powell County is very fortunate to have the prison in their county and have benefitted from it.

**Vote:** Motion carried 9-1 with Miller voting no.

**HEARING ON HB 360**

**Sponsor:** REP. BOB CLARK, HD 8, Ryegate

**Proponents:**

Charles Brookes, Yellowstone Co. Commissioners  
Jane Jelinski, MACo

**Opponents:** None

**Opening Statement by Sponsor:**

REP. BOB CLARK, HD 8, Ryegate, said this bill is repealing section 7-4-2506. He said deputies have to sign for their paycheck before they can get them and this is not necessary with the technology that they have today.

**Proponents' Testimony:**

Charles Brookes, Yellowstone Co. Commissioners, rose in support of HB 360. **EXHIBIT**(los53a03)

Jane Jelinski, MACo, rose in support of HB 360.

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

SEN. TESTER asked why was this ever done in the first place. REP. CLARK said at one time all public employees signed to get their paychecks.

SEN. LYNCH said he still signs for his paycheck as a school teacher. The reason for this was that if someone didn't get their check and it was cashed, stolen or lost, they can look up and see if it was signed for or not.

SEN. BOHLINGER asked if the endorsement of the check provides some sort of certification that they received it. SEN. LYNCH said no, they can forge the name and very few banks check for I.D.

**Closing by Sponsor:**

REP. CLARK closed on HB 360.

*{Tape : 1; Side : A; Approx. Time Counter : 3:25 p.m.}*

HEARING ON HB 210

Sponsor: REP. ROYAL JOHNSON, HD 10, Billings

Proponents:

Alec Hansen, MT League of Cities and Towns  
Gene Huntington, Financial Consultant

Opponents: None

Opening Statement by Sponsor:

REP. ROYAL JOHNSON, HD 10, Billings, said section 7-16-4104 wasn't changed two session ago when they changed the law. He said the city of Columbia Falls was trying to put a swimming pool together and it would cost them \$890,000. Without the class 8 property in Columbia Falls, they could only raise, with the bond, \$768,000.

Proponents' Testimony:

Alec Hansen, MT League of Cities and Towns, said when they reduced the taxes for class 8 property they forgot to make this adjustment on this section of the law. The failure to adjust this section of law reduces the amount that they can bond for.

Gene Huntington, Financial Consultant, rose in support of HB 210.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SEN. TESTER asked if this is to take care of the drop from 12 to six percent in business equipment property. Alec Hansen said it is from nine to six percent.

SEN. TESTER asked how SB 200 impacts this bonding authority. Alec Hansen said SB 200 is set up on Class 8 property as a credit. It does not affect the value. This will adjust for a decline in the value as a result of this legislation.

Closing by Sponsor:

REP. JOHNSON said this will help the people in Columbia Falls.

*{Tape : 1; Side : A; Approx. Time Counter : 3:32 p.m.}*

**HEARING ON HB 476**

**Sponsor:** REP. ROYAL JOHNSON, HD 10, Billings

**Proponents:**

**Brentt Ramharter, Finance Director of City of Missoula**  
**Alec Hansen, MT League of Cities and Towns**

**Opponents:**

**Opening Statement by Sponsor:**

REP. ROYAL JOHNSON, HD 10, Billings, said this deals with municipal governments and general obligation bonds being issued without a vote of the people as long as the tax is not increased.

**Proponents' Testimony:**

**Brentt Ramharter, Finance Director of City of Missoula,** said this bill would allow them to finance certain types of selected capital projects over a longer period of time. He said right now they have the inter-cap financing program which is a variable rate program. This bill would allow them to access fixed rate markets and get a better interest rate and keep payments low.

**Alec Hansen, MT League of Cities and Towns,** said this would allow cities to incur debt for very strict conditions and allow them to get lower interest rates. He read page 3, line 6. He said the limit for Billings would be \$2.4 Million. This does not increase taxes.

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

REP. JOHNSON closed on HB 476.

**EXECUTIVE ACTION ON HB 476**

**Motion/Vote:** SEN. LYNCH moved HB 476 BE CONCURRED IN. Motion carried 9-0.

EXECUTIVE ACTION ON HB 210

Motion/Vote: SEN. LYNCH moved HB 210 BE CONCURRED IN. Motion carried 9-0.

EXECUTIVE ACTION ON HB 360

Motion/Vote: SEN. LYNCH moved HB 360 BE CONCURRED IN. Motion carried 9-0.

EXECUTIVE ACTION ON HB 192

Motion: SEN. LYNCH moved that AMENDMENTS HB019201.amv BE ADOPTED. EXHIBIT(los53a04)

Discussion:

SEN. LYNCH explained the amendments. EXHIBIT (4)

SEN. MILLER said he can see some mischief in this. SEN. LYNCH said if Billings wants someone bad enough they will pick up the cost of the training.

SEN. GRIMES said when they sign the contract it prorates the amount they will pay back. SEN. LYNCH said the bill does that.

Vote: Motion carried 8-1 with Miller voting no.

Motion/Vote: SEN. GLASER moved HB 192 BE CONCURRED IN AS AMENDED. Motion carried 9-0.

**ADJOURNMENT**

Adjournment: 3:44 P.M.

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SEN. MIKE SPRAGUE, Chairman

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JODI PAULEY, Secretary

MS/JP

**EXHIBIT (los53aad)**